



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

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November 25, 2008

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The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

### **FEDERAL AGENDA FOR THE 111TH CONGRESS (ALL SUPERVISORIAL DISTRICTS AFFECTED) (3 VOTES)**

This letter recommends updated policies for the Federal Agenda, which were developed in coordination with Board Offices, County departments, the Legislative Strategist, and the Washington, D.C. advocates. In general, these changes seek to secure increased Federal funding, enhance the County's ability to deliver effective services and address needs, and achieve greater flexibility over the use of Federal funds. This package, together with other positions previously adopted by your Board, will guide our Federal advocacy efforts for the 111th Congress, which will commence in January 2009.

### **THEREFORE, IT IS RECOMMENDED THAT YOUR BOARD:**

1. Approve the attached additions and changes to existing Board-adopted Federal policies and positions.
2. Instruct the Chief Executive Officer, affected departments, the Legislative Strategist, and the Washington, D.C. advocates to work with the Los Angeles County delegation, other counties and local governments, and interest groups to pursue these policies and positions.

*"To Enrich Lives Through Effective And Caring Service"*

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## **LEGISLATIVE AND BUDGET OUTLOOK**

In January 2009, Barack Obama will take office as the 44th President and will be joined in Washington, D.C. by larger Democratic majorities in both houses of the 111th Congress. The new President and Congress will enter office facing a number of key challenges, including major pending legislative and regulatory issues from this year. Congress must complete action on appropriations legislation to fund Federal discretionary (non-entitlement) programs through the end of Federal Fiscal Year (FFY) 2009. Except for Department of Homeland Security grant programs, all of the discretionary grant programs through which the County receives funding are temporarily funded through a Continuing Resolution until March 6, 2009. Pursuant to existing Board policies, the County will continue to advocate for increased funding for high-priority programs -- especially those, for which the County receives a relatively high share of total funding, such as the State Criminal Alien Assistance Program (SCAAP) and Ryan White HIV/AIDS programs.

Addressing the current major economic downturn also will require the immediate attention of the new Administration and Congress. Both President-elect Obama and the Congressional Democratic leadership indicate that they plan to pursue an economic stimulus package, especially if it is not enacted in the lame-duck session. Moreover, they also have indicated their support for State and local fiscal relief, such as a temporary increase in the Federal Medicaid match rate, increased infrastructure and public works spending, and extended unemployment insurance benefits. The County will continue to pursue increased Federal Medicaid funding and other provisions, which would maximize the financial benefits to the County and California. State and local fiscal relief is especially important in light of our State's major budget shortfall.

Another priority for Federal advocacy will be the continued pursuit of legislative or administrative vehicles to block the implementation of the pending regulatory changes, which would reduce Federal Medicaid funding. If implemented, two regulations, which would cap Medicaid payments to government providers and eliminate Medicaid reimbursement of Graduate Medical Education costs, alone could result in a combined loss of \$240 million a year to the County's public hospitals. Implementation of six pending Medicaid rules, including these rules, are blocked under a County-supported moratorium, which expires on April 1, 2009. The moratorium, however, does not apply to a recently issued final Medicaid outpatient hospital services rule, which the County also opposes. That final rule is scheduled to take effect on December 8, 2008. It is important to note that, during our advocacy efforts over the last three years, President-elect Obama voted in the Senate to support the County's position to block the implementation of the rules.

Legislation to reauthorize the State Children's Health Insurance Program (SCHIP), which helps to fund California's Healthy Families Program, is a potential legislative vehicle for blocking implementation of the Medicaid regulations as well as other administrative proposals, which would restrict the eligible uses of SCHIP funds. After two SCHIP reauthorization bills, which would have significantly increased SCHIP funding for California and provided increased flexibility over the use of funds, were vetoed by the President, funding and authorization were extended until March 31, 2009. Therefore, SCHIP reauthorization legislation will be considered early next year. The County will pursue SCHIP reauthorization as well as the reauthorization of other programs of County importance, including Ryan White HIV/AIDS, Water Resources Development Act, Workforce Investment Act, and surface transportation programs. The current authorization for these programs is due to expire at the end of FFY 2009.

The new Administration and Congress initially will focus on restoring the nation's economic health and mitigating the negative effects of the economic downturn, providing opportunities for state and local fiscal relief, such as in the form of a temporary Federal Medicaid match rate increase. However, over the longer term, the structural Federal budget deficit and rapidly escalating national debt may lead to a far less favorable Federal budget climate for State and local governments. It is too early to predict how soon the focus may shift to a greater emphasis on deficit reduction and a heightened risk of reductions in Federal aid to state and local governments.

## **RECOMMENDED CHANGES TO THE COUNTY'S FEDERAL AGENDA**

The changes in the attachment represent requests from County departments and commissions to add or modify policy statements consistent with their operational goals and plans. These recommended policy changes will enable County departments and advocates to pursue positions on issues for which no applicable Board policy currently exists. The recommendations include new policies relating to the foreclosure crisis, small business development, rental housing, child care and development services, fire prevention and fire safety, health and human services information technology, cyber security, the efficient movement of goods from ports to other regions, and the treatment of Armed Services members at the Rancho Los Amigos National Rehabilitation Center.

All other previously adopted Federal Agenda policies remain in effect, including the County's overall principles and policies, which include maximizing Federal revenues, greater flexibility over their use, and support for a greater share of total available funding to the County or California. A revised comprehensive list of all Federal Agenda policy statements will be published subsequent to consideration of the changes included in the attachment.

## **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The proposed legislative policies in the Federal Agenda are consistent with the County's Strategic Plan Goals of Organizational Effectiveness and Fiscal Responsibility. Organizational Effectiveness is achieved by providing timely advocacy on proposals that could significantly affect the County. Fiscal Responsibility results from efforts by the CEO, Washington, D.C. advocates, and County departments pursuing new funding sources and opposing cuts in program funding or new unfunded mandates on county government.

## **CONCLUSION**

The recommended policies in the attachment are submitted for your Board's consideration to supplement, and not replace other previously adopted Board policies. All of these policies will guide our advocacy efforts in the upcoming 111th Congress. As in the past, the Federal Legislative Agenda will be updated to reflect subsequent Board actions.

Respectfully submitted,



WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:GK  
MAL:MT:sb

Attachment

c: County Counsel  
All Department Heads

RECOMMENDED CHANGES TO THE COUNTY’S FEDERAL AGENDA

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## RECOMMENDED CHANGES TO THE COUNTY'S FEDERAL AGENDA

### 1. Health/Mental Health

y. Support proposals which would provide for the treatment and care of current and former Armed Services members with spinal cord and traumatic brain injuries at the Rancho Los Amigos National Rehabilitation Center under a contract with the Federal government. (Requested by Department of Health Services)

**Justification:** A relatively high percentage of casualties experienced by Armed Services members deployed in Iraq and Afghanistan involve traumatic brain or spinal cord injuries. As a result, there is a growing need among current and former Armed Services members for high-quality rehabilitation services, such as those provided at County's Rancho Los Amigos National Rehabilitation Center (RLANRC), which has the capacity to serve patients referred from Veteran Affairs (VA) hospitals located in Southern California. It not only would benefit veterans, but also the Federal and County governments if the Departments of Defense and VA entered into a contract with the RLANRC for the provision of rehabilitation services and other care to persons with traumatic brain and spinal cord injuries. Armed Services members and veterans should be provided access to the high-quality care which can be made available to them at the RLANRC.

### 4. Health and Human Services Reform

g. Support proposals and funding to improve health and human services information technology and to implement and make improvements to automated data and management information systems for Federal programs administered by state and local governments. (Requested by Department of Health Services)

**Justification:** Improvements in information technology, such as uniform, interoperable electronic medical records, can improve the delivery of health and human services and also reduce costs. This is especially important when clients are served by multiple caregivers and providers who have information, such as medical records, on clients that should be shared. The proposed policy change would support proposals and funding to improve information technology for any health and human service, not limited to Federal programs administered by state and local governments.

### 7. Children and Family Services

~~o. Support proposals which provide funding for state and local government to increase access and availability of child care for working and low-income families, promote systems to monitor the quality of child care, and support the development and creation of child care facilities, including by allowing a portion of Child Care and Development Block Grant funds to be used to build child care facilities in areas with a shortage of licensed child care.~~ Support proposals and funding for state and local governments to increase the availability and quality of affordable child care and development services to more children and families. (Requested by Policy Roundtable for Child Care)

**Justification:** A large unmet need exists for affordable, high quality child care and development services. There is growing recognition of the importance of early development to later success in school and in life. Child care and development services also are cost-effective investments in sustaining and building a more productive workforce. Therefore, it is important to increase the availability and quality of affordable child care and development services to more children and families, including, but not limited to, increasing the supply and scope of services, expanding eligibility for Federal-funded services, and improving the professional development, training, and education of the child care and development workforce.

p. Support legislation to provide proposals and funding to local school districts and child care and development programs to implement locally determined programs to help educate public school students children with limited English proficiency. (Requested by Policy Roundtable for Child Care)

**Justification:** It is important that child care and development programs as well as local school districts receive Federal assistance in helping to educate children with limited English proficiency. This is especially important in areas, such as Los Angeles County, which have large numbers of limited English proficiency children who receive child care and development services. Pre-school age children are able to learn new languages more quickly than older children. Providing them with English language instruction would reduce the need to teach them English or provide bilingual instruction in school classrooms.

## **11. Homeland Security**

n. Support proposals and funding which would increase fire prevention and fire safety, and which would enhance the capabilities of fire departments to provide fire and other public safety services. (Requested by Fire Department)

**Justification:** Federal firefighting and fire prevention programs, such as the Assistance to Firefighters Grant and Fire Prevention and Safety Grant (FP&SG), are administered by the U.S. Department of Homeland Security. Existing Board policies on homeland security cover support for public safety and emergency preparedness and response activities, which would include Fire Department activities. However, there are no existing policies explicitly supporting proposals and funding to increase fire prevention and fire safety and to enhance the capabilities of fire departments -- a gap which would be filled by this proposed policy addition. The Fire Department indicates that, in addition to building the capabilities of fire departments, Federal financial assistance also is needed for measures, such as retrofitting high rise buildings with automatic fire sprinkler systems, which would increase fire prevention and fire safety.

o. Support proposals and funding which would strengthen the cyber security of the information technology and network infrastructure of state and local governments. (Requested by Chief Information Office)

**Justification:** Government agencies at all levels face increasingly sophisticated cyber security threats, including, but not limited to, computer attacks to disable websites, manipulate or destroy government data, and obtain sensitive information, including on individual employees and clients of government services. Cyber security incidents can

cripple government computers, reduce the public's confidence in government, and result in major identity theft problems if personal data is stolen. The Federal government invests heavily in strengthening cyber security of its own information systems, but not on state and local governments, even those which administer Federal public assistance programs, such as Food Stamps. Moreover, cyber attacks, which disrupt state and local operations or obtain sensitive information, also can endanger homeland security.

#### **14. Community Development**

i. Support proposals and funding which would promote small business development, including high technology companies. (Requested by Community Development Commission (CDC))

**Justification:** Based on this policy, the County would support proposals and funding which would assist the CDC Business Technology Center (BTC) in carrying out its mission to “develop high technology firms through business management assistance, technical assistance, and the coordination of available financial resource.” According to CDC, since the BTC’s creation in 1998, BTC companies have created over 1,000 jobs and have received over \$115,000,000 in investment capital.

#### **15. Housing and Homeless Assistance**

f. Support proposals, tax incentives, and funding which would increase home ownership and rental housing opportunities for low and moderate income individuals and families and increase the supply of affordable housing, such as by extending the use of mortgage revenue bond proceeds for homeownership activities. (Requested by CDC)

**Justification:** This policy change addresses a gap in existing County policies which support proposals, tax incentives, and funding which would increase homeownership opportunities, but not affordable rental housing for low and moderate income individuals and families. This is especially important in Los Angeles County which has many residents whose housing needs cannot be met through homeownership.

o. Support proposals and funding which would enable more homebuyers to avoid foreclosures, mitigate the negative impacts of foreclosures, and stabilize impacted neighborhoods, such as through housing counseling programs, the restructuring of loan terms for borrowers at risk of foreclosure, rehabilitation of foreclosed properties, and increased flexibility over the use of Federal funds. (Requested by CDC)

**Justification:** This policy is needed to support measures which address potential foreclosure problems as well as the current foreclosure crisis. Housing counseling programs are important for helping homebuyers to avoid foreclosures. Based on this policy, the County would support proposals to encourage lenders to restructure existing loans for borrowers at risk of foreclosure and to enable the CDC to leverage mortgage revenue bonds and Low-Income Housing Tax Credits to acquire and rehabilitate foreclosed multifamily properties and develop affordable housing. Increased flexibility over the use of Federal funds is especially needed under the newly created Neighborhood Stabilization Program (NSP) for which Congress appropriated \$3.9 billion in one-time funds this year. This program has tight time limitations for the obligation



and expenditure of funds which severely limits opportunities to use the funds for public-private partnerships and to recycle program funds and income to finance longer term initiatives needed to mitigate the impacts of foreclosures, especially their impacts on neighborhoods.

## **16. Transportation**

g. Support proposals and funding which would improve the efficient movement of goods from ports to other regions and reduce traffic congestion and improve air quality.  
(Requested by Department of Public Works)

**Justification:** A high percentage of goods enter the country through a relatively few ports, including the Ports of Los Angeles and Long Beach, which are the nation's two busiest ports. More than 43 percent of all containerized freight enter the United States through the Los Angeles/Long Beach port complex alone. The movement of goods from these ports benefit the entire nation, but the regions in which the major ports are located, such as ours, bear the added costs and negative impacts, such as increased traffic congestion and air pollution. The Federal government should provide funding to improve the efficient movement of goods from ports, such as the Ports of Los Angeles and Long Beach, which are important to the national economy. It also should provide funding that help to reduce air pollution caused by the movement of freight to and from major ports and meet Federal air quality attainment standards.